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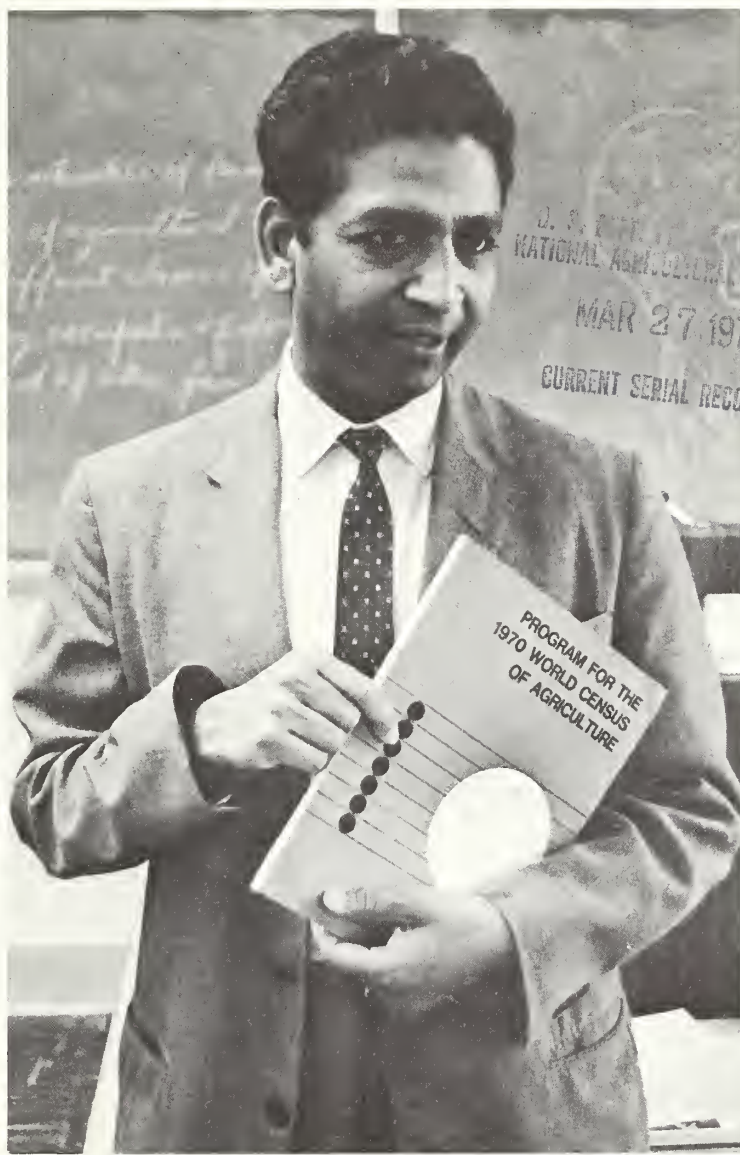
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FOREIGN AGRICULTURE



March 23, 1970

**1970 World Census of Agriculture
Cigarette Production in U.S. Markets
Agricultural Profile of Sweden**

Foreign
Agricultural
Service
U.S. DEPARTMENT
OF AGRICULTURE

FOREIGN AGRICULTURE

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In this issue:

- 2 Facts for Decisions: 1970 World Census of Agriculture By Emerson M. Brooks
- 5 Review and Outlook: Production of Cigarettes in Major U.S. Markets By Joseph R. Williams and Charles J. O'Mara
- 6 Apple Production Booming in North India
- 7 Afghanistan's Fruit Exports Are Expanding By John B. Parker
- 8 Capsule Review of Sweden and Its Agriculture
- 10 Africa and West Asia—Agricultural Production Indices for 1969 By Robert E. Marx
- 11 EC Wheat Stocks Filling Up the European Market
First Advance on Australian 1970-71 Wheat Assured
- 12 Crops and Markets Shorts

This week's cover:

Counting the chickens will be only part of the ambitious 1970 world census of agriculture sponsored by the Food and Agriculture Organization (FAO) of the United Nations. Technicians such as the one pictured here trained in special centers in Washington, D.C., Paris, and Colombia and will act as supervisors and planners in the 120 countries participating in the census. Story begins this page.

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Sample surveying rice yield in a Southeast Asian country. Above, measuring a plot in a rice field ready for harvest. Left, all the threshed rice from the sample plot is carefully weighed by the sample survey team. Below, farmer's wife examines the sample of threshed rice in the weighing cloth.



Facts for Decisions

1970 World Census of Agriculture

By EMERSON M. BROOKS
*Career Development and Foreign Programs
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Strenuous efforts are being made around the world to improve the quality of agricultural statistics. A major phase of this activity is the participation of some 120 countries in the 1970 world census of agriculture sponsored by the Food and Agriculture Organization (FAO) of the United Nations. This ambitious undertaking, the third decennial census promoted by FAO, is designed to provide serviceably accurate statistical data on each country's agricultural economy, much of which will be comparable with that from other countries.

In addition to providing information that will be useful in itself, each country's census will furnish a statistical framework for later interview sample surveys, field observations, and objective measurements. These less time-consuming and less costly procedures can be used after the census is completed to gather crop estimates when needed and give up-to-date answers to other specific questions about a country's agriculture as the need arises.

Who needs agricultural facts?

Anyone who farms, sells or buys agricultural products, analyzes agricultural economies, or attempts to make plans concerning agriculture and economic development. Planners and decision makers, such as ministers of agriculture, export-import officials, bankers, and industrialists, especially need facts. Without adequate information, devising programs, putting them into operation, measuring their progress, and determining their results is about as easy as trying to pilot a boat while blindfolded. The results, unfortunately, may also be somewhat similar.

In one Latin American country statistical reports on cattle numbers were estimated on inadequate facts for several years. The estimates showed a steady increase in cattle numbers; but beef became increasingly scarce on the market until the country was forced, as an emergency measure, to import cattle and meat from neighboring countries. Officials could perhaps have instituted programs to prevent the beef cattle shortage if they had been aware of the facts and not based their decisions on misleading estimates.

Developing countries, which are often trying to plan and implement programs for agricultural improvement, especially need current and dependable information. At the same time, their budgets for agricultural statistics are often meager and their lack of trained personnel may be severe. But going without adequate agricultural statistics may turn out to be considerably more costly to the government than initiating a scientific census or reporting service.

Erratic crop reports that grossly overestimate or underestimate production result in wide price swings that are costly to producer, consumer, and the national treasury. It simply is not possible to plan and carry out a realistic pricing

system for domestic and foreign trade without reliable crop statistics.

This type of painful experience was recently suffered by a country that, after long and complex efforts to increase productivity, suddenly found that because of its successful program and an unusually favorable growing season, production of grain was a record high. Unfortunately its statistical reporting system was not sufficiently strong to measure the increase accurately. Prices to farmers were set too high, and sale prices were set too low. The consequence was a serious dent in the national treasury.

Negotiations incident to P.L. 480 contracts between the United States and developing countries have frequently been slowed and hampered by the lack of adequate and dependable information concerning the recipient's crop production and stocks on hand. Too often the official statistics on indigenous production, utilization, and foreign trade are so bad that the supply situation looks better or worse than it actually is. Sometimes it has been found necessary to resort to unofficial figures to appraise a situation.

Lack of a current crop-reporting system has resulted in another type of supply-demand imbalance in several countries.

For example, a Far Eastern country was misled by its faulty statistical reports into exporting a large quantity of rice early in the season only to learn at harvest time that production was far short of normal. As a consequence huge imports of rice were necessary at high prices.

A similar situation occurred in a country that normally is an exporter of wheat but which on several occasions learned too late that its crop reports indicating a large wheat crop were grossly in error. The result was expensive imports of grain into a country that should have been more than self-sufficient.

In still another country the early season reports on wheat proved so erroneous that the country had to buy back its own contracts for wheat deliveries.

Many similar situations could be cited that have occurred for field crops, fruits, and fibers.

Getting the information

The goal of the 1970 census is complete enumeration of all agricultural holdings, commercial or otherwise, in the countries that participate. Asking pertinent questions of every farmer in each country is a truly gigantic task—one that will take considerable time and large staffs and be very expensive. Furthermore, the processed and published data will not be available immediately since it usually takes two or more years from collection of census data to publication.

But a complete agricultural census (that is, counting and asking questions of everybody) accomplishes two critical functions for which there are no statistically acceptable shortcuts. First, only a complete census can provide detailed information about particular villages, locales, districts, and regions within a country so that they can be compared with one another and their differences and similarities adequately studied. Second, a complete enumeration provides the in-

formational framework necessary for designing and carrying out subsequent sample surveys, such as crop reports and livestock counts.

Detailed agricultural information on localities within a country is essential for a country's economic planning. To illustrate, precise information: gives marketing officials better knowledge of production areas so they can improve plans for transportation and storage; provides exporters with specialized intelligence on sources and availabilities of goods; provides importers with better knowledge of existing and potential markets; gives in-country merchants and manufacturers (such as fertilizer producers and farm machinery agencies) a guide on what to make and the best areas for sales promotion; helps farmers know what is most profitable to produce and when to sell; guides legislators in drafting national programs and regulations; allows planning for community development and improved nutrition and health services in rural areas by providing data about rural population, such as age, sex, income, residence, and facilities.

But before one can obtain detailed and useful answers, one must devise the right questions to ask in a census. Recognizing the diversified nature of agriculture, the program for the 1970 census includes a "short list" of questions that will be asked in all countries and an "expanded list" containing questions that will be applicable only in some countries or in some parts of some countries. Stress has been placed on uniformity of questions asked so that comparable data can be obtained on a regional and international basis.

Both the short and the expanded lists were prepared by FAO through a series of regional planning sessions. The subject matter in the lists was reviewed by the FAO Statistics Advisory Committee and was approved by the FAO Conference in 1965.

The lists have questions that are designed to gather information on the number and chief characteristics of agricultural holdings of individuals, tribes, and other groups—whether they produce for home consumption or sale. The major subject matter items are: area and production of principal crops, numbers of livestock and volumes of livestock products, numbers and characteristics of persons employed in agriculture, the farm population, use of machinery and fertilizers, use of irrigation or drainage, quantity of wood and fishery products marketed by farmers, and the relationship of agriculture to other industries in the area.

Although complete census of all farmers and farms is the overall goal, in some areas sample surveys and objective measurement surveys will be used—especially if data on a regional or local basis are not considered essential.

The collection of information will be by interview, mail, or a combination of methods. Because of local situations, some countries will be taking the agricultural census as late as 1973.

The fact finders

Large staffs must be assembled and trained in each country to carry out the actual census procedures—interviewing the farmers, recording the mailed answers to questionnaires, tabulating data, and so on. For such a huge, shortterm force, in-country training is a necessity and must be accomplished by indigenous trained supervisory personnel. But especially in some of the newer and less-developed countries, people well-grounded in statistics and census taking, who can act as supervisors and planners, are in great scarcity.

To help solve the shortage, FAO, in cooperation with the U.S. Bureau of the Census, the U.S. Department of Agriculture, and the U.S. Agency for International Development (AID), established a training center in Washington, D.C. The Washington center is to familiarize English-speaking technicians with the methods and procedures required for planning and conducting agricultural censuses and sample surveys.

A similar training project for French-speaking trainees from Africa was conducted in Paris, and another was held in Colombia for Spanish-language participants.

Since September 1967 some 175 people from 70 countries have participated in year-long training programs at the Washington Training Center.

Graduates return to their own countries where they utilize their training in the statistical programs of their home governments.

Short cuts to facts

The published data that are the end products of a traditional census may not be available until several years after the actual census because of the mass of detail that must be handled. Such a time lag in information does not meet the need to find out what is currently happening in a nation's agriculture.

Once a statistical base for the country has been established by a census, such up-to-the-minute information as crop estimates or stock inventories can often be gathered by sample surveys, objective measurement surveys, field observations, or special methods, such as aerial photography.

Many countries, however, lack statistical personnel with specific training in sample survey methods. Scarcity of qualified statisticians impedes programs for the quick gathering of data on current estimates of: acreage, yield, and production of crops; numbers of livestock on farms; farm employment and wages; and reserves or stocks of major agricultural products or necessities.

The Washington Training Center, in recognition of this type of need, is instituting a program in sample survey methods supplemented by instruction in census procedures in the fall of 1970. Emphasis in training will be shifted from census taking to the more rapid sample methods. The course of instruction will include classes, seminars, workshops, and field demonstrations of methods used in collecting data by sample surveys. The program will be a year long and will be divided into several training sections. The first and longest section will be classroom instruction. Next, students will participate in case studies pertaining to sample surveys. Finally, for about a month, participants will carry out actual sample surveys by farmer interview and counting, weighing, or observing plant characteristics indicative of yield.

The techniques and procedures used in the United States, of course, cannot always be transferred unaltered to other countries. But usually they can be adapted to function even under difficult conditions and ones quite different than those of the United States.

Summation

The 1970 world agricultural census will provide many countries with statistical pictures of their agricultures and a starting point from which to develop further programs, such as periodic sample surveys, for maintaining current agricultural information on a wealth of subjects.

Production of Cigarettes in Major U.S. Markets

By JOSEPH R. WILLIAMS

CHARLES J. O'MARA

Tobacco Division, FAS

World consumption of cigarettes continues to increase in spite of health threats and a steady rise in prices. In 1969, consumption was about 3 percent above the 2,975 billion consumed in 1968.

Thus, the numerous and varied problems that have beset the industry around the globe have not, as yet, been strong enough to halt the enormous growth rate of recent years. Indeed, in many countries of the world, the cigarette industry is still in the early stages of development and, as economies in these countries develop, so will cigarette output. In the developed countries, cigarette output will continue to grow, although the rate of growth may not be as vigorous as in recent years.

U.S. exports of tobacco will likely hold at about current levels if we maintain quality superiority at competitive prices. The American blend requiring high-quality tobacco is a symbol of prestige, and rapidly increasing in most areas where the standard of living is going up, especially in countries like Italy, France, Spain, and Brazil. In traditional black cigarette areas, such as southern Europe, Africa, and South America, the shift to the American blend is held back by price. The straight English type is still expanding throughout most of the former British Empire.

Brands vary widely. There are the complex filter-type brands of the United States, many carrying a mist of menthol; the 100-percent flue-cured of the old British Empire; the oriental cigarette of the Middle East and Eastern Europe; the 100-percent Maryland of Switzerland; the "Kretek" cigarette of Indonesia, which includes cloves.

Where possible, most countries will encourage expansion of tobacco production and will protect domestic markets through mixing regulations as well as high support duties.

Also, the industry will continue making more cigarettes per pound of tobacco. Major reason: The enormous and ever-growing popularity of filter cigarettes. And if world opinion accepts the criterion that the safety of a cigarette is measured by the percentages of its tar and nicotine, then we can expect a revolution within the industry in the 1970's equivalent to that which brought about filters, homogenization, and now puffed tobacco.

United Kingdom

In the United Kingdom, our traditional best market (134 million lb., \$147 million in 1969) 23 million people buy a total of 10 billion cigarettes every month. Cigarettes, in fact, the only item bought oftener than bread and milk, account for about 6 percent of consumer expenditure.

In ordinary circumstances, other things being equal, suppliers of the raw material for such a popular product would expect a prosperous present and perhaps a rich future.

But the cigarette industry in the United Kingdom is not operating under ordinary circumstances, and, in the case of the raw material supplier, the U.S. tobacco farmer, the future

is not as encouraging as might otherwise be expected. To be sure, the \$145 million market for U.S. tobacco in the United Kingdom will not vanish overnight, but there is now a very serious trend in operation that may eventually erode our very formidable position in this market.

In 1968, despite the fact that the average cigarette smoker in the United Kingdom managed to smoke a record 2,950 cigarettes, the amount of tobacco consumed in cigarettes fell to the lowest level since 1956.

To be more specific: The amount of tobacco used in cigarettes in 1968 in the United Kingdom was 220.2 million pounds. In 1958 the figure was 225.1 million; but the sale of all cigarettes rose by 2,700 million to 121,800 million. This was due to the rise of the tipped brands' share of the market, which jumped to about 70 percent in 1968.

It is now the cheaper, smaller sized filter cigarettes that are dominating the British market. This shift has been influenced to a large extent by Britain's high tobacco import duty. With the present rate of duty of \$12.1055 per pound, even a few shreds of tobacco per cigarette will mean many thousands of dollars to the manufacturer when multiplied by the billions of cigarettes produced.

In terms of cost to the consumer, packages of 20 tipped and 20 untipped cigarettes, otherwise identical in appearance, have a price difference of 10d. (US\$0.10). Between the smallest tipped brand and a standard-sized untipped brand, the price difference can be as much as 2s. 3d. (27 cents). Average per capita income in the United Kingdom in 1967 was US\$1,817. It is clear there is a strong incentive to switch from untipped to tipped brands and from king-size to smaller sized cigarettes each time the retail price is raised.

In terms of pounds of tobacco used in cigarette manufacture, the average manufactured tobacco weight per million untipped cigarettes has fallen 5 percent from 2,194 pounds in 1958 to 2,081 pounds in 1968. The reduction for tipped cigarettes has amounted to 10 percent: 1,876 pounds to 1,695.

West Germany

In the second largest market for U.S. tobacco, West Germany (102 million pounds, \$90 million in 1969), the cigarette industry is doing quite well. Production in 1968 increased by 8.7 percent to 113.7 billion cigarettes.

The health issue is of some concern in West Germany and the sale of the so-called low-tar and nicotine cigarettes is growing. Indicative of this concern is the growth in the market share of this type of cigarette, which has risen from 4 percent in 1962 to 15.3 percent in 1968 and stood at 17.2 percent in April 1969.

The demand for high-quality U.S. leaf in West Germany should remain strong since the German cigarette-smoking public continues to prefer a modified version of the American blend cigarette which requires about a third high-quality U.S. leaf, a third oriental, and a third neutral fillers, mostly flue-cured and burley from other non-U.S. suppliers.

This demand coupled with West Germany's vigorous and growing economy would seemingly insure the U.S. position in that market. However, the proposed Common Agricultural

Policy for tobacco in the European Community could seriously threaten this position. At this stage, the full effect of the proposed CAP for tobacco is not clear, but there is no doubt that it will make selling tobacco in the EC countries more difficult and we now have the additional concern of the eventual joining of the EC by the United Kingdom.

The entry of the United Kingdom into the Common Market could force the repeal of the additive law permitting the entry of a blended cigarette into the U.K. market.

Japan, Thailand

In 1959, U.S. leaf exports to Japan amounted to 18.2 million pounds, valued at \$17.3 million; in 1969, to 40.9 million pounds, valued at \$44.7 million. Needless to say, the cigarette industry in Japan is booming and the U.S. tobacco farmer has taken and is taking part in this growth. In the last 5 years, sales of all cigarettes produced by the Japan Monopoly Corporation have risen from 163.3 billion to 197.7 billion cigarettes. In the same period, sales of brands containing U.S. flue-cured tobacco have risen from 65.6 billion to 129.8 billion cigarettes; and the market share of these brands has risen from 40.2 percent to 65.7 percent.

Japan's Hi-Lite is perhaps the largest selling brand in the world and may soon enter the international field.

Except for a temporary setback due to a 19-percent price increase in 1968, the trend in cigarette sales in Japan has been very strongly upward.

There are indications that growth in the next few years will not be quite as vigorous; but in the long run, Japan, with an annual growth of 8.3 percent in per capita income and an average annual population increase of 1.0 percent,

will continue to be one of our best markets.

The situation in Thailand is very similar to that in Japan. Even though output is on a much smaller scale, the growth in the last 10 years has been no less spectacular. Cigarette output in 1959 was 8,427 million. In 1968, output stood at 13,526 million. The increase in U.S. leaf exports to Thailand illustrates the part the U.S. producer has taken in this growth. In 1959, U.S. exports amounted to 11.8 million pounds with a value of \$8.4 million. By 1968, exports had increased by two times to 24 million pounds valued at \$19 million.

Other countries

A scan of the rest of the world shows, with but a few exceptions, that the extraordinary growth of the cigarette industry is a worldwide phenomenon. Bulgaria's output and exports have grown at such a pace in recent years that it is now considered to be the world's largest exporter of cigarettes. In Brazil, Mexico, Argentina, Nigeria, and South Africa, the popularity of lighter, milder cigarettes has pushed total output up substantially. In these same countries the increased quantity and quality of locally grown leaf will effectively limit sales of U.S. tobacco for cigarette manufacture.

In the Philippines, Indonesia, and Singapore, output is growing and should continue to do so. Indonesia has an especially good potential for U.S. leaf since it once was one of our larger markets. Presently, trade barriers are limiting the sale of U.S. leaf in the Philippines, but the demand for U.S. leaf exists. The future in Singapore should be encouraging, as output both for local consumption and for export to Malaysia is developing at a steady pace.

Apple Production Booming in North India

In the past 5 years apples have become one of the most successful of the new cash crops for farmers in hill areas of northern India. Apple production in 1969—mostly from trees planted at elevations above 5,000 feet—was an estimated 250,000 metric tons; in 1961, only 49,000.

Most of the apples are produced in the State of Kashmir and Himachal Pradesh Territory; each accounts for over 35 percent of the crop. Most of the remainder of the crop comes from the hills of Uttar Pradesh and Punjab.

In the last decade the greatest gain in apple production was in Himachal Pradesh, where apple tree numbers increased tenfold. Expansion in plantings is still going on at a rapid pace on the terraced slopes in this Territory. Among those who have made extensive investments in new orchards are businessmen, doctors, and retired military personnel.

New roads, which make it easier to move the apples to market, and reports of the profits being made by established orchards have created an interest in apple growing even in hill towns that have never produced much fruit before. Some farmers with 12-year-old trees now receive over \$1,500 an acre from apple sales.

Cold storage facilities in the Punjab and Haryana are used for apples during November and December before these facilities are needed for the potato crop harvested in January and February. From this storage the apples are transported to Bombay, Calcutta, and other urban areas of southern India via train, truck, and aircraft.

About 90 percent of the apple crop enters the commercial

market. Some 6,000 tons a year go into apple juice, cider, and bakery products. Most of the apples used in canning and juice are those that are damaged or do not meet the requirements for the fresh apple market in other ways.

Per capita use of apples is greater in Delhi than in other large cities because of lower prices and local food habits. But Bombay has become a lucrative apple market; at most produce stands in November and December (off-season for tropical fruits), apples rank next to bananas in popularity. In Bombay, the retail price for Red Delicious, Yellow Delicious, and Rome Beauty apples is usually the equivalent of 18 to 27 U.S. cents per pound. In Delhi, the retail price for the same apples is usually about one-fourth less per pound than in Bombay.

In Calcutta, apple prices are often as much as 65 U.S. cents per pound. Trucks that transport apples from northern India to Bombay pick up bananas from the State of Gujarat and citrus from Maharashtra on their return trip. This has resulted in lower prices for these two products in Delhi and in other parts of northern India.

At the wholesale markets in Chandigarh, a city at the beginning of the Plains, Yellow Delicious apples sell for about \$US4 per wood carton containing about 37½ pounds; Red Gold apples for \$5.20; Ambri (one of the oldest varieties from Kashmir), for about \$3.20.

—By JOHN B. PARKER, JR.
*Foreign Regional Analysis Division,
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Kabul stand has apples, grapes, oranges, pomegranates.

Afghanistan's Fruit Exports Are Expanding

By JOHN B. PARKER, JR.
Foreign Regional Analysis Division
Economic Research Service

In the past 6 years the value of Afghanistan's exports of fresh and dried fruits has more than doubled—growing from \$14.4 million in 1963 to \$30 million in 1969.

The main fruit exports are fresh table grapes, raisins, pomegranates, apricots, peaches, and apples. Grapes and raisins, the leaders, have increased in importance in the past decade with improved transportation facilities to neighboring countries and new measures to control quality.

Grapes, fresh and dried

Most of the 200,000 metric tons of grapes harvested in 1969—to be used both fresh and for raisins—were of the Kishmish variety. This is a seedless grape that closely resembles the Thompson Seedless. Other varieties grown include the Gholodan, Hussaini, Monukka, and several kinds of red grapes. Programs to distribute improved grape varieties to farmers have resulted in a production increase of 7 percent in each of the past 2 years.

Most grapes are grown in the Kabul and Koh-i-Daman Valleys. Some terraced hill land previously planted to wheat is now going in to vineyards.

Table grapes. Exports of fresh table grapes amounted to 52,000 metric tons in 1969, compared with 15,000 tons in 1963. During the past 5 years practically all of Afghanistan's table grape exports have gone to India and Pakistan. There has been a marked rise in Afghan fruit exports to Pakistan since a 1965 agreement to allow duty-free movement of fruit products between the two countries.

Raisin exports. In 1969, about 130,000 tons of grapes were used to make about 34,000 tons of raisins, most of which were exported. In addition to neighboring markets in the USSR and South Asia, Afghanistan is sending raisins to Western Europe, the United States, Czechoslovakia, and Mainland China.

India and the USSR are the two leading markets. The USSR purchases have increased in the past decade as the quality of Afghan raisins has improved and new roads to the Soviet border have been built. As exports to the USSR have increased, those to India have declined. Exports to India totaled 15,000 tons in 1958, about 10,000 tons in 1968. The USSR is scheduled to purchase 18,000 tons of the 1969 pack, compared with 6,000 tons in 1960.

About 2,000 tons of raisins were exported to the United Kingdom in 1969 compared with 900 tons in 1968. Shipment to the United States were over 400 tons in 1969, compared with 6 tons in 1968. Exports to West Germany in 1969 were 180 tons, double the 1968 figure. In the past 2 years Belgium has also become a significant market. And programs to intro-

duce Afghan raisins into Japan and Scandinavia are underway.

Raisin production. About 60 percent of the raisins produced in Afghanistan are green raisins, made by drying grapes on trays in special houses. Red raisins are prepared by drying the grapes in the sun—sometimes in trays and sometimes on the ground. Those dried on the ground usually sell for less because of the dirt contained in them. Before packing plants became established in Afghanistan, most of the red raisins were exported to India and cleaned there.

Eight packing plants are now operating in the country. Here the raisins are washed, the trash and disease-damaged raisins removed, and the raisins graded. The raisins are then packed in cellophane bags and placed in wooden crates for export. The largest packing plant is one operated by a private firm near Kabul that has received financing from the government. All the others are completely private ventures. In 1969 two new packing plants began operations and one existing plant expanded its operations.

The large plant near Kabul has two lines of imported machinery and a capacity for preparing 10,000 tons of raisins a year. The recently expanded plant has a capacity of 5,000 tons.

The Asia Foundation and the Swedish International Development Authority are working with the Government of Afghanistan, the Kabul Chamber of Commerce, and raisin packers to improve the quality of raisins. The New Afghan Bureau of Standards has an inspector in each raisin packing plant. The rigid standards set by the inspectors have resulted in less trash and fewer stems in export raisins.

Other fruit exports

Afghanistan is a major world producer of *pomegranates*, a fruit that keeps well for several months. Annual production is 16,000 to 18,000 tons, about 75 percent of which is exported. India is usually the leading market for this fruit. Other customer countries are the USSR, Pakistan, and some Middle East countries.

Apricot production is expanding in the Helmand Valley and in some areas east of Kabul. About 4,000 tons of apricots are exported each year, mostly to Pakistan. Some also go to India.

About 2,500 tons of *apples* are exported annually to the USSR and Pakistan from growing areas in northern Afghanistan.

Peach production is expanding in the Kandahar area, and several hundred tons are exported annually to Pakistan. Small deliveries of Afghan *plums* and *cherries* are made to border areas in Pakistan during the harvest season.

Capsule Review of Sweden and Its

Sweden is primarily an industrial, rather than an agricultural country; the importance of its agricultural sector continues to decline.

Land in farms. Only 7.4 million acres—7 percent of Sweden's total area—is arable. Half of the country's land surface is covered with forest; another one-third is nonarable because of such features as mountains, peat bogs, and swamps. Much land is unsuitable for agriculture because it is too far north.

Farm numbers and size. In 1969 about 160,000 farm units of 5 acres or more were operated as individual enterprises. This was 25 percent fewer than the number of such units operated in 1961. Currently, 76 percent of the farms have less than 50 acres of arable land. Between 1961 and 1966 the number of farms with 5 to 49 acres of arable land decreased by 65,700; farms with 124 acres or more increased by about 1,800.

The number of farms is expected to continue to decline because of the government's policy of farm structure reform, the lag in agricultural income, and the high average age of the operators. The Swedish Government encourages migration of farm people to the cities where industrial opportunities are extremely good. The government also tries in various ways to accelerate the development of larger and more efficient farm units.

Farm labor. In March 1969 the number of workers in agriculture—including family members and parttime workers—numbered 256,000, about 7 percent of the country's labor force.

Primary reason for a rapid decline of the farm labor force in recent years is the considerable income gap between agricultural workers and the rest of the labor force. Wages paid to farmworkers in Sweden, however, are probably the highest in Western Europe.

Farm income. Average net return per farm in 1967 was approximately \$4,913. The gross value of farm production that year was \$1.1 billion, and agriculture's contribution to the gross national product was \$840 million.

Crops. Acreage and production of the principal Swedish crops are shown in the table on opposite page. Main changes in crop production in the postwar years have been increased output of grain and oilseeds and a decline in most other crops.

Currently supplies of breadgrains and feedgrains exceed requirements. Output of sugar, fats and oils, and potatoes does not meet domestic needs.

Crop yields vary widely—from low in northern Sweden to equal or higher than those of the United States in other areas. Better yields of recent years have been mainly the result of heavier fertilization plus the use of higher yielding varieties and improved cultivation practices.

Thus far for the main crops, improved farming technology has offset the government's policy of reducing total agricultural output. If unmanageable surpluses develop, the government is expected to take more stringent measures.

Livestock. Except for hogs and sheep, livestock numbers have been declining in recent years. Primary reasons for this downtrend are the disappearance of the small cattle-intensive farms and difficulties in exporting livestock products.

Cattle are by far the most important type of livestock produced in Sweden. In 1968, 70 percent of all cattle were Swedish Red and White, about 20 percent Swedish-Friesian, and the remainder mostly Swedish polled cattle.

Grain feeding of beef cattle is not common. Most cattle holdings are small: two thirds of them consist of less than 10 head. The reduction in the support price for milk has resulted in a sharp decline in dairy cattle in recent years. Meat production is becoming increasingly important, and there is now considerable interest in production of baby beef and in improving beef quality by

proper curing and cutting.

Pork production has been increasing, and large quantities are being exported. Emphasis is on production of bacon-type animals.

Poultry production, long a sideline activity on most farms, is increasing in importance. Large, highly mechanized units are rapidly taking over egg production, although there still are many small flocks.

Broiler production is also becoming highly specialized, a fact that accounts for the sharp increase in poultry meat in recent years. Retail broiler prices have declined roughly 50 percent in the past 3 years.

Poultry consumption, however, continues at a very low level, and the country is currently faced with a poultry meat surplus. Turkey production is also increasing, but most Swedish consumers are unfamiliar with this meat.

Sheep production has been increasing steadily; the meat is being used more and more as a substitute for beef and pork.

Foreign trade. In 1968 Sweden's agricultural imports amounted to \$612 million, 12 percent of total imports. Its farm exports amounted to about \$157 million, only 3 percent of total exports.

Imports. Sweden's main agricultural imports are shown in the table below. As a source of these imports, the United States is outranked only by Denmark. Most important Swedish imports of U.S. farm products are tobacco, cotton, fresh and canned vegetables, canned fruits,

SWEDEN'S MAIN AGRICULTURAL IMPORTS, 1968—
BY PRODUCT CATEGORY AND MAIN TRADING AREA SOURCES

Product category	Total imports, all sources	Imported from—					
		United States		EFTA		EC	
		Value	Share	Value	Share	Value	Share
	Million dollars	Million dollars	Percent	Million dollars	Percent	Million dollars	Percent
Fruit and vegetables ...	165.5	22.6	13.7	12.3	7.4	41.3	24.9
Coffee, tea, cocoa, and spices	119.8	.3	.3	4.0	3.3	6.1	5.1
Fish and fish products	55.9	1.8	3.2	36.7	65.7	.5	.9
Meat and products	41.5	2.3	5.7	26.7	64.6	.6	1.7
Grain and products	31.2	6.9	22.1	12.9	41.3	5.1	16.3
Sugar and products	17.3	.2	1.2	8.4	48.6	3.1	17.9
Milk and products	9.2	.2	2.2	5.8	63.0	2.7	29.3
Other foods	15.1	2.6	17.7	10.7	70.9	1.5	9.9
Feedstuffs	52.4	2.5	4.8	23.1	44.1	5.0	9.5
Tobacco	30.7	15.8	51.4	10.0	32.6	1.7	5.5
Hides and skins	18.1	2.3	12.8	8.6	47.5	.9	5.0
Cotton	8.8	7.4	84.1	—	—	—	—
Live animals	2.5	.4	16.0	1.2	48.0	.6	24.0
Total	568.0	65.2	11.5	160.3	28.2	69.1	12.2

Agriculture

prunes, raisins, apples, pears, lemons, grapefruit, poultry, beef livers, dairy products, rice, citrus juices, almonds, potato products, vegetable oils, and hides.

In recent years Sweden has turned to the other EFTA countries, particularly Denmark, for an increasingly larger share of agricultural imports; the EC share of these imports has increased to a lesser extent.

Exports. Main Swedish agricultural exports are pork, grains, hides and skins, and fats and oils.

Sweden: Livestock and Poultry, 1968

Animal	Number	Meat production
	1,000 head	1,000 metric tons
Cattle	2,065	157
Hogs	2,043	228
Sheep, lamb	286	4
Horses	68	5
Poultry	8,553	25

Principal Swedish Crops, 1968

Crop	Area	Production
	1,000 acres	1,000 metric tons
Wheat and rye	773.4	1,269
Coarse grain	2,723.0	3,554
Oil crops	264.4	257
Potatoes	126.0	1,424
Sugarbeets	101.3	1,978
Hay crops	1,949.6	3,554



Typical small farm setting in Skane, southernmost Sweden. Currently, over three-fourths of the farms in Sweden have less than 50 acres of arable land.

Country as a Whole—Geography, Economy, Food Consumption

Sweden, the fourth largest country in Europe, has a total area of 174,000 square miles—slightly larger than California. In 1968 it had a population of 7,942,000, or 45 persons per square mile.

Roughly rectangular, the country has a maximum width of about 300 miles and a length of about 1,000 miles. It lies roughly in the same latitude as Alaska but has a more favorable climate because of the warming influence of the Gulf Stream. However, northern winters last 6 months or longer.

Rainfall averages 24 inches a year; it is considerably higher in the west and lower in the east.

Sweden's economy is highly industrialized; industrial production is largely based on extensive domestic resources of timber, ores, and water power.

Sweden's gross national product per capita is the second highest in the world;

only the U.S. GNP exceeds it. The Swedish per capita GNP was approximately \$3,440 (in current prices) in 1968, compared with \$855 in 1950.

The contribution of each main economic sector to the GNP in 1967 was: Agriculture, forestry, and fishing—5.6 percent; mining, manufacturing, and public utilities—33.5 percent; construction, 9.9; and services, 51.1 percent.

Direct consumption of food has been growing at an average rate of 5½ percent per year (current value) since 1960. In 1968, per capita direct consumption of food was reported to be \$523.

Because of the industrial influence (resulting in higher incomes) and the low growth rate of the population, the per capita growth of food consumption, expressed in fixed prices, currently amounts to 1.5 percent per year. This reflects the yearly increase accounted for

by higher food quality and convenience in storage, preparation, and serving.

In terms of the main food groups, the per capita consumption of calories in Sweden breaks down as follows:

	Percent
Bread and other grain products ...	25
Margarine	10
Dairy products	20
Meat and products	12
Fruit and vegetables	8
Fish, other seafood	2
Other foods	23

Frozen foods are becoming an increasingly important part of the Swedish diet. Total frozen food consumption rose from 46.3 million pounds in 1960 to 214.4 million pounds in 1968.

Information on this and the opposite page supplied by James F. Lankford, U.S. Agricultural Attaché, Stockholm.

Agricultural Production Indices for 1969

By ROBERT E. MARX

Foreign Regional Analysis Division, ERS

Total agricultural output in Africa was about 2 percent greater in 1969 than it was in 1968; a preliminary index for 1969 reveals that the production of agricultural commodities was 28 percent higher than the level in 1957-59, the period used as a base for the indices. Measured on a per capita basis, Africa's agricultural outturn in 1969 remained the same as it was in 1968—2 percent below the base period. The index for food production per person, however, dropped 1 percent to 96, the lowest level of the 1960s.

Among the 31 African countries for which indices of agricultural production have been prepared, 21 showed increases in production for 1969 and 8, losses. Significant among those which showed increases were those West African countries which suffered severe drought in 1968 and as a result required emergency food aid until the 1969 harvest when more nearly normal crops of foodgrains were gathered—Senegal, Mali, Niger, and Upper Volta.

Among the countries whose agricultural production declined in 1969 is Morocco. From a bountiful year in 1968 when its index of production reached 165, Morocco dropped nearly 20 percent to 137. This dropoff in Moroccan production was due to less favorable weather and resultant smaller grain crops. Wheat production, for example, dropped about one-third to 1.6 million tons. However, even with this decrease, 1969 was an excellent crop year, exceeded in Morocco's past only by 1968. Another North African country, Tunisia, suffered a considerable decline in agricultural production and its fourth consecutive year of rather poor crops. The country's production index dropped to 83 for 1969 and its index of per capita food production to 64. Unprecedented floods late in the crop year caused some of the loss in agricultural production, but more important was adverse weather during the planting and growing season which resulted in poor crops of wheat and barley harvested earlier in the year. Tunisia has not had a good wheat crop since 1965.

South Africa, Nigeria, UAR

The three most important agricultural countries of Africa—South Africa, Nigeria, and the United Arab Republic (UAR)—reveal at least slight increases in agricultural production in 1969.

The Republic of South Africa increased agricultural production only slightly—approximately 1 percent. Although there was a record wheat crop in the country, corn which is the dominant crop declined about 7 percent. Other crops showed mixed but relatively minor changes.

Nigeria, in spite of its Biafran affair, managed to show a fair gain of about 4 percent in agricultural outturn. The preliminary appraisal places the index of per capita food production at 88—a rise of 1 percent from 1968. Generally better grain crops and significantly better crops of peanuts, cocoa beans, and oil palm products contributed heavily to the overall rise in agricultural production.

And, in the UAR there was a gain in agriculture in 1969 of 6 percent. The cotton crop—which is estimated to have

been close to 17 percent higher in 1969 than in 1968—accounted for the bulk of the increase. Food production in the UAR increased moderately, enabling the per capita food production index to remain at 94.

Major African crops

In 1969 the principal commercial crops of Africa developed as follows:

- **Coffee.** Early estimates place the 1969 crop for the 17 African coffee-producing countries in the indices at 1.07 million tons, approximately 27,000 tons larger than the revised estimates of the 1968 crop. Production in Ivory Coast was up sharply from 204,000 tons in 1968 to 240,000 tons in 1969.

- **Cocoa beans.** Production in 1969 was up considerably from a rather poor crop of 808,000 tons in 1968 to nearly 913,000 tons for the eight cocoa producing countries in the indices. There was a gain of 23,000 tons in Nigeria's production and more than 60,000 tons in the crop gathered in Ghana, the world's largest producer.

- **Cotton.** An across-the-board rise in production in Africa resulted in the estimated crop for 1969 being 12 percent larger than for 1968. This increase makes the 1969 crop—at 1.18 million metric tons—the largest ever produced in Africa. There are 24 cotton producing countries in the indices.

Of particular interest to the United States is the corn crop in Africa. In 1969 it increased some 200,000 tons to a total of 16.2 million tons for the 31 corn producing countries in the indices; however, in South Africa—the major producer and exporter—production was down nearly 365,000 tons. Early indications are that the biggest increase among the corn producers was in Rhodesia, where production in 1969—after a bad crop in 1968—recovered to the 1967 level of roughly 1 million tons.

West Asia

Total agricultural production for West Asia was down slightly in 1969. The regional index retreated to 138 from its high of 140 in 1968. Five of the eight countries for which

AGRICULTURAL PRODUCTION INDEX NUMBERS FOR SELECTED COUNTRIES OF AFRICA AND WEST ASIA, 1965-69
[1957-59 = 100]

Region and country	Total agricultural production					Agricultural production per person				
	1965	1966	1967	1968	1969 ¹	1965	1966	1967	1968	1969 ¹
Africa	119	120	126	125	128	100	99	101	98	98
Congo (Kinshasa) ..	76	78	82	87	92	65	65	67	69	71
Ghana	138	144	150	136	143	114	116	118	104	107
Ivory Coast	167	151	187	180	192	140	124	149	140	145
Kenya	137	151	156	163	169	112	120	120	122	120
Morocco	126	103	117	165	136	104	82	91	124	99
Nigeria	119	126	116	115	120	94	101	91	88	89
Rhodesia	145	154	147	112	132	117	120	111	82	94
Senegal	149	121	141	113	132	127	100	114	89	102
South Africa	117	125	153	133	134	99	104	124	105	104
United Arab Republic	118	113	114	115	122	99	92	91	89	93
West Asia	122	127	136	140	138	101	102	107	107	103
Iran	116	121	133	144	141	96	98	103	109	105
Israel	176	168	196	204	203	137	128	147	148	144
Jordan	204	136	228	153	244	167	107	174	114	175
Lebanon	159	153	204	173	165	130	123	160	132	123
Turkey	117	130	135	136	131	98	106	107	106	99

¹ Preliminary; based on information available before December 1, 1969.

production indices were prepared registered declines. Syria showed the largest decline percentage-wise; Turkey, the largest decline in quantities of production. Two small countries—Cyprus and Jordan—showed large increases because of favorable weather. Production in Cyprus was about one-fourth larger than in 1968 and production in Jordan went up virtually 60 percent.

The decline in Turkey, the region's largest agricultural producer, amounted to about 3 percent from an index of 136 to 131. This loss can be traced substantially to the poorer olive crop, and also the smaller cotton crop.

West Asia's next most important agricultural producer is Iran. In that country, 1969 production totaled approximately the same as 1968; the index number remained at 144. The

wheat crop was some 200,000 tons shorter than in 1968, but cotton and sugar were among the crops which went up in 1969 and counteracted the influence of the lower wheat production on the index number.

Wheat production in the region—at 14.6 million tons—was down about 400,000 tons from the high level of 1968. Each of the two biggest wheat producers, Turkey and Iran, experienced a slight drop in the 1969 crop.

Cotton, the largest export crop of the area—at some 725,000 tons—was down about 7 percent from the very high level of production in 1968. Turkey had some weather unfavorable to cotton growing and suffered a drop of possibly as much as 50,000 tons. This was the first year since 1960 that Turkey did not show an increase in cotton production.

EC Wheat Stocks Filling Up the European Market

Because of substantial contracts for wheat sales that were made by exporters in EC countries in 1969 and expectations of using large amounts of wheat within the Common Market as feedgrain, the EC has simplified its export subsidy schedule as a reflection of less immediate pressure to make foreign wheat sales.

Wheat export contracts for the intervals August 1 to the end of December of the years 1969 and 1968 are as follows: 1969, 2.8 million metric tons of soft wheat; 1968, 0.8 million tons; 1969, 0.5 million metric tons of wheat flour; 1968, 0.5 million metric tons.

Because of the higher rate of export contracts to non-EC countries during the second half of 1969 in comparison to 1968, intervention stocks of wheat and other grains held by the EC had dropped to a level of about 4.2 million metric tons by the end of December 1969. On August 1, 1969, intervention stocks of grains had totaled 6.6 million metric

tons. Another drawdown on overall supplies will be the little over 1 million tons of wheat and wheat flour that have been committed to the EC Food Aid Program.

Expectations of using large amounts of wheat as feedgrain are pointed up by the statements of the Dutch Product Board officials, who say that utilization of denatured wheat for feed is expected to reach the level of 3.5 million to 4.0 million metric tons in 1969-70 compared to about 2 million tons in 1968-69.

Further, a large quantity of lower-grade grains (about 4 million metric tons) are expected to be absorbed on the 1969-70 EC market, probably mostly in Germany. Considerable quantities of this stock will probably be used as feed-grain.

Because of the increased utilization of EC wheat and other grains as feed, imports of feedgrains to the EC during the current season face an overall decline.

First Advance on Australian 1970-71 Wheat Assured

The Australian Minister for Primary Industry, Mr. Anthony, announced recently that the Government had accepted the Australian Wheat Grower's Federation's proposals for the wheat delivery quota for 1970-71.

These proposals, calling for the payment of a first advance to growers of \$1.10 per bushel, less freight, on wheat covered by the quotas, were earlier endorsed by the States. The quotas for all States total 318 million bushels, including a special quota of 23 million bushels reserved exclusively for Prime Hard Wheat in New South Wales and Queensland. The allocation of the quotas to farms or individuals is the responsibility of the States.

According to Mr. Anthony, the Reserve Bank agreed to make funds available to the Wheat Board on the customary basis and an upper limit of \$407 million is to be provided from the Bank's Rural Credits Department funds, under Commonwealth guarantee. This will enable the Wheat Board to pay first advance on quota wheat as well as freight, storage, handling charges, and administrative expenses, all of which total \$1.28 per bushel.

The agreement of the Commonwealth to underwrite funds of up to \$407 million "... indicates that the Government has looked at the industry and its need in broad perspective. Had it taken a narrower view based on collateral security

and ability to repay debts within a very limited time, the outcome must have been different."

Although the Government has approved the wheat industry's reduced level of quotas, Mr. Anthony warned that even these low quotas, while useful, are fairly modest steps toward resolving the problems of very large accumulated stocks and the substantial indebtedness of the Wheat Board.

Mr. Anthony added that he thought it only reasonable to warn growers that their problems of excess wheat in storage were far from solved. "Growers must recognize that they are incurring heavy expenditures on storage to accommodate the large carryover of unsold stocks from last season and deliveries in the current season. This storage bill is eroding the net return to growers from export realisations already low. The industry cannot expect that returns from wheat will rise. Prospects for international trade in wheat do not offer the prospect of higher prices in the short term."

Mr. Anthony concluded that the Commonwealth's decision to play its part by guaranteeing funds for the first advance and the other charges should serve to ensure that the industry can continue to progress toward a more stable position.

—Based on dispatch

Office of the U.S. Agricultural Attaché, Canberra

CROPS AND MARKETS SHORTS

Livestock and Meat Product Exports Set New Record for Decade

The value of U.S. livestock and meat product exports in 1969—at \$517.7 million—set a new record for the decade. Greater pork shipments to Japan and increased cattle hide exports, in addition to higher average prices for cattle hide exports, were the primary reasons for the 21.2 percent increase over the value of 1968 exports.

The value of U.S. imports was up slightly in 1969: at \$1,180.7 million it was 7.6 percent larger than in 1968. Higher prices and some increase in boneless beef imports accounted for most of the increase over 1968.

Lard exports during 1969—at 261.5 million pounds—were up 49 percent from 1968 owing primarily to greater shipments to the United Kingdom. These shipments totaled 186.5 million pounds, an 82-percent increase over 1968.

Total red meat exports—at 190.0 million pounds—were 45 percent higher than in 1968, a result of greater pork ship-

ments to Japan and Canada. Canada continued to be the largest recipient of U.S. pork: exports to this market totaled 64.4 million pounds in 1969, up 77 percent from 1968. Pork

U.S. IMPORTS OF SELECTED LIVESTOCK PRODUCTS

Commodity	December		January-December	
	1968	1969	1968	1969
Red meats:	1,000	1,000	1,000	1,000
Beef and veal:	pounds	pounds	pounds	pounds
Fresh and frozen:				
Bone-in beef:				
Frozen	210	1,092	9,469	8,368
Fresh and chilled ..	646	1,422	17,365	11,227
Boneless beef	34,157	61,252	893,933	984,592
Cuts (prepared)	57	604	1,361	2,375
Veal	375	3,063	18,257	25,732
Canned beef:				
Corned	14,892	7,782	101,029	94,661
Other, incl. sausage ..	2,887	1,754	16,947	22,953
Prepared and preserved	5,426	6,204	69,679	66,696
Total beef and veal ¹	58,649	83,177	1,128,036	1,216,600
Pork:				
Fresh and frozen	3,104	2,965	48,420	42,939
Canned:				
Hams and shoulders	18,604	19,941	227,051	233,117
Other	3,011	3,094	39,930	29,825
Cured:				
Hams and shoulders	212	140	2,211	1,988
Other	315	279	4,022	3,859
Sausage	294	590	2,485	3,914
Total pork ¹	25,537	27,007	324,118	315,645
Mutton and goat	254	2,562	62,006	54,221
Lamb	3,041	2,534	22,896	43,865
Other sausage	661	970	7,555	8,778
Other meats	835	1,951	11,967	14,019
Total red meats ¹ ...	88,979	118,204	1,556,583	1,653,123
Variety meats	278	876	3,802	5,641
Meat extract	135	83	1,002	891
Wool (clean basis):				
Dutiable	10,435	9,194	129,787	93,524
Duty-free	7,643	7,193	119,626	95,665
Total wool ¹	18,079	16,390	249,412	189,189
Animal hair	649	557	7,748	5,736
Hides and skins:	1,000	1,000	1,000	1,000
Cattle	pieces	pieces	pieces	pieces
Calf	38	11	494	276
Kip	53	39	508	358
Buffalo	21	18	286	334
Sheep and lamb	31	16	492	420
Goat and kid	659	619	30,822	20,715
Horse	274	253	5,204	5,066
Pig	19	24	262	206
Pig	33	76	744	723
Livestock:	Number	Number	Number	Number
Cattle ²	195,846	237,882	1,039,150	1,041,909
Sheep	502	97	26,579	22,805
Hogs	814	1,822	21,678	13,430
Horses, asses, mules, and burros	313	369	3,675	3,546

¹ May not add due to rounding. ² Includes cattle for breeding. U.S. Department of Commerce, Bureau of the Census.

U.S. EXPORTS OF SELECTED LIVESTOCK PRODUCTS

Commodity	December		January-December	
	1968	1969	1968	1969
Animal fats:	1,000	1,000	1,000	1,000
Lard	pounds	pounds	pounds	pounds
Tallow and greases:				
Inedible	224,799	162,716	2,233,962	1,894,725
Edible	731	1,048	11,175	13,384
Meats:				
Beef and veal	2,182	2,022	27,031	25,699
Pork	13,838	4,954	85,110	145,141
Lamb and mutton	97	74	1,900	1,432
Sausages:				
Canned	192	78	1,485	1,325
Except canned	210	189	2,862	3,416
Meat specialties:				
Canned	126	90	1,569	1,304
Frozen	99	97	1,766	2,392
Other canned	893	474	9,366	9,344
Total red meats ¹	17,637	7,972	131,078	190,045
Variety meats	23,827	24,784	225,249	239,894
Sausage casings:				
Hog	411	855	6,458	8,056
Other natural	444	215	4,033	3,809
Mohair	1,488	536	15,919	12,882
Hides and skins:				
Cattle parts	2,031	601	33,889	29,698
Cattle	1,000	1,000	1,000	1,000
Calf	pieces	pieces	pieces	pieces
Kip	1,151	1,196	12,836	14,801
Sheep and lamb	75	55	1,838	1,240
Horse	52	21	379	414
Goat and kid	245	355	3,946	3,931
Horse	5	12	76	70
Goat and kid	32	645	248	959
Livestock:	Number	Number	Number	Number
Cattle and calves	2,653	4,482	35,745	39,186
Sheep, lambs, and goats	4,321	1,704	117,677	106,237
Hogs	1,279	1,360	13,714	18,620
Horses, asses, mules, and burros	1,169	863	15,026	11,511

¹ May not add due to rounding. U.S. Department of Commerce, Bureau of the Census.

production in Japan was below normal in 1968 and 1969; hence the high level of U.S. shipments to that market during the past 2 years—25.1 million pounds in 1968 and 57.4 million pounds in 1969.

At 239.8 million pounds, variety meat exports set a new record for the decade. Increased exports to France, the largest market, accounted for the 6.5-percent increase over 1968 shipments.

Of hides and skins exports, cattle hides at 14.8 million pieces were up 15 percent from 1968.

Sheep, lamb, and goat exports were down almost 10 percent from 1968.

Red meat imports at 1,653.1 million pounds were up 6.2 percent from 1968. Increases were recorded for veal, canned hams and shoulders, lamb, and boneless beef.

The United States is by far a net exporter of variety meats. Thus even though variety meat imports—at 5.6 million pounds—were almost 50 percent greater than in 1968, the quantity was small compared with exports of variety meats.

Both dutiable and duty-free wool imports were down in 1969, bringing total wool imports, at 189.2 million pounds, down 24 percent from 1968.

All classes of hides and skins imports with the exception of kip were down in 1969. Of the live animal imports, only cattle imports at 1,041.9 million head showed an increase.

Weekly Rotterdam Grain Price Report

Current prices for imported grain at Rotterdam, the Netherlands, compared with a week earlier and a year ago, are as follows:

Item	March 12	Change from previous week	A year ago
	<i>Dol. per bu.</i>	<i>Cents per bu.</i>	<i>Dol. per bu.</i>
Wheat:			
Canadian No. 2 Manitoba	2.03	-1	2.01
USSR SKS-14	(¹)	(¹)	1.88
Australian Prime Hard	(¹)	(¹)	1.86
U.S. No. 2 Dark Northern Spring:			
14 percent	1.88	0	1.89
15 percent	1.97	-2	1.96
U.S. No. 2 Hard Winter:			
13.5 percent	1.78	0	1.82
Argentine	1.76	0	1.84
U.S. No. 2 Soft Red Winter	1.67	+1	1.71
Feedgrains:			
U.S. No. 3 Yellow corn	1.57	+1	1.36
Argentine Plate corn	1.55	0	1.38
U.S. No. 2 sorghum	1.54	-2	
Argentine-Granifero	1.33	0	
Soybeans:			
U.S. No. 2 Yellow	3.02	-2	2.92

¹ Not quoted.

Note: All quoted c.i.f. Rotterdam for 30- to 60-day delivery.

Small Portuguese Almond Crop

Portugal's 1969 almond harvest is placed at 2,000 short tons, 3,000 tons below 1968's harvest. Heavy rain and late frost during pollination are the cause of the reduced crop.

1968 exports are placed at 4,600 tons, approximately 18 percent below 1967's shipment. Portugal's largest buyer in 1968 was the United Kingdom, followed by Sweden and Belgium. Exports for 1969 are currently estimated at 2,500 short tons.

SUPPLY AND DISTRIBUTION OF PORTUGUESE ALMONDS

Item	1966	1967	1968	1969 ¹
	<i>1,000 short tons</i>	<i>1,000 short tons</i>	<i>1,000 short tons</i>	<i>1,000 short tons</i>
Beginning stocks (Sept. 1)	1.4	1.4	1.4	1.3
Production	1.7	6.0	5.0	2.0
Total supply	3.1	7.4	6.4	3.3
Exports	1.0	5.6	4.6	2.5
Domestic disappearance	.3	.4	.5	.3
Ending stocks (Aug. 31)	1.4	1.4	1.3	.5
Total distribution	3.1	7.4	6.4	3.3

¹ Preliminary.

Netherlands Prices of Fruits, Juices

The following quotations represent wholesale offering prices on a landed-weight basis with duties and levies paid, but excluding the value-added tax:

Type and quality	Size of can	Price per dozen units			Origin
		Dec. 1968	Sept. 1969	Jan. 1970	
		<i>U.S. dol.</i>	<i>U.S. dol.</i>	<i>U.S. dol.</i>	
CANNED FRUIT					
Apricot halves:					
Not specified	500 gr.	—	1.79	1.79	Spain
Do	2½	3.38	—	3.18	Spain
Cherries, sweet, not pitted:					
Not specified	1 kg.	5.10	4.97	5.97	Italy
Cherries, R.S.P.:					
Water pack	10	—	22.21	22.38	U.S.
Fruit cocktail:					
Choice, heavy sirup	2½	5.27	5.07	5.04	U.S.
Choice, light sirup	2½	5.04	4.87	4.81	U.S.
Choice	3 kg.	14.85	16.08	16.08	Spain
Peaches, clingstone halves:					
Choice, heavy sirup	2½	4.41	4.21	4.21	U.S.
Do	2½	4.08	—	4.24	South Africa
Choice, light sirup	2½	4.08	3.85	3.85	U.S.
Do	2½	3.81	—	3.81	South Africa
Pears, halves:					
Choice	1 tall	—	2.19	2.19	Italy
Pineapple slices:					
Fancy, heavy sirup	2½	5.14	4.81	4.81	U.S.
Choice, heavy sirup	2½	4.64	4.24	4.48	U.S.
Choice	30 oz.	—	3.71	3.94	Taiwan
Pineapple, crushed:					
Fancy	10	—	9.91	9.91	South Africa
CANNED JUICES					
Grapefruit, unsweetened	1 qt. ¹	—	—	4.84	U.S.
Orange, unsweetened	1 qt. ¹	4.34	—	5.20	U.S.
Do	0.7 ltr. ¹	—	3.05	3.05	Israel
Pineapple, unsweetened	6 oz.	.93	.93	.93	U.S.

¹ Packed in glass bottles.

German Canned Pear Tender

West Germany has announced a tender allowing imports of canned pears, in containers of less than 4.5 kilograms (9.92 lb.), from the United States and several other countries.

Applications for import licenses will be accepted until September 29, 1970, or until an undisclosed value limit is reached. Licenses will be valid until September 30, 1970. Products containing added sugar are subject to the respective EC regulations.

Less South African Canned Fruit

Drought, hail, and winds damaged the 1970 South African deciduous fruit crop and reduced supplies of fruit available for canning. Production of canned deciduous fruit is estimated at 6.7 million cases equivalent 24/2½'s, 19 percent below the 1969 pack of 8.3 million cases. Packs of all items are reported lower. Canned peach production is estimated at 4.5 million cases, 9 percent below 1969. Apricot and pear packs received the sharpest cuts: the 1970 apricot and pear packs are estimated at 330,000 and 1.1 million cases, respectively.

Minimum opening prices for canned fruit, c.i.f. the United Kingdom, were above 1969 for all items. Choice grade clingstone halves were reported at \$3.18 per dozen No. 2½ size cans, 27 cents above the 1969 opening of \$2.91. Similar prices for other items, with 1969 in parentheses, are apricots \$3.30 (\$2.82), pears \$3.30 (\$3.09), fruit cocktail \$3.78 (\$3.69) and fruit salad \$4.20 (\$4.11).

CANNED DECIDUOUS FRUIT PRODUCTION IN SOUTH AFRICA

Item	1966	1967	1968	1969 ¹	1970 ²
	<i>1,000 cases³</i>	<i>1,000 cases³</i>	<i>1,000 cases³</i>	<i>1,000 cases³</i>	<i>1,000 cases³</i>
Peaches	4,646	4,918	4,541	4,927	4,500
Pears	1,486	1,131	1,302	1,547	1,100
Apricots	988	723	591	669	330
Mixed fruit	685	738	1,013	1,119	800

¹ Revised. ² Preliminary. ³ Equivalent 24/2½'s.

U.K. Hop Production in 1969

The United Kingdom hops acreage dropped from 17,919 acres in 1968 to 16,719 acres in 1969. However, the 1969 crop benefited from the unusually fine, warm summer weather. Production has been placed at 23.5 million pounds, an average yield of 1,404 pounds per acre. This compares with 22.3 million pounds in 1968, with an average yield of 1,244 pounds per acre.

The demand for hops has increased in recent years, with both beer production and consumption rising. In view of the decline in acreage, the demand for imported hops could increase in the immediate future. However, the long term growth of imports will be based on the growth of lager beer sales, and the lager beer is expected to consist mainly of continental European hops.

Ecuador's Pyrethrum Production Low

Ecuador's pyrethrum production (dry flower basis) in 1969 amounted to 1,740 metric tons, down 8.5 percent from the 1968 outturn of 1,900 tons. The smaller crop resulted mainly from low world market prices which discouraged harvesting. Ecuador's pyrethrum exports in 1969 earned US\$1.47 million, compared with \$1.56 million in 1968.

January Tobacco Imports Down

U.S. imports of unmanufactured tobacco for consumption during January 1970 were down 18 percent from 20.5 million pounds in January 1969 to 16.7 million pounds. The import value totaled \$9.8 million with an average of 58.6 cents per pound, compared with \$12.8 million averaging 62.2 cents per pound in the previous year. Nearly all of the de-

cline was in cigarette leaf. About one-half of total January tobacco imports were of Turkish origin, followed by imports from Greece—14 percent of total imports—and the Philip-pines—11 percent.

U.S. IMPORTS OF UNMANUFACTURED TOBACCO ¹ [For consumption]

Item	1969		1970	
	Quantity	Value	Quantity	Value
January:	<i>1,000 pounds</i>	<i>1,000 dollars</i>	<i>1,000 pounds</i>	<i>1,000 dollars</i>
Cigarette leaf (flue & burley)	568	295	901	314
Cigarette leaf, other	15,030	10,253	11,101	7,382
Cigar wrapper	31	111	22	98
Mixed filler & wrapper	12	68	16	83
Cigar filler, unstemmed	325	236	147	161
Cigar filler, stemmed	250	334	233	302
Scrap	4,215	1,453	4,289	1,458
Stems	71	2	28	1
Total	20,502	12,752	16,737	9,799

¹ Withdrawals from stocks in Customs bond and duty-paid releases for manufacture immediately upon arrival.

U.S. Exports Fewer Cigarettes

U.S. exports of cigarettes in 1969 were 25.0 billion pieces, about 5 percent down from the 26.4 billion pieces in 1968 but still about 8 percent above the 1960-64 average. Normally a little less than 5 percent of total U.S. cigarette output is sold through foreign markets. The value of U.S. cigarette exports in 1969 was \$129.3 million, about 4 percent

U.S. EXPORTS OF CIGARETTES

Destination	Average 1960-64	1967	1968	1969 ¹
	<i>Million pieces</i>	<i>Million pieces</i>	<i>Million pieces</i>	<i>Million pieces</i>
Hong Kong	1,916.9	2,450.4	2,667.8	2,684.9
Netherlands Antilles	1,035.9	1,472.2	1,412.1	1,356.0
Panama	588.4	759.3	1,033.3	1,275.0
Kuwait	1,073.2	1,090.1	1,371.0	1,193.1
Spain	986.7	1,704.3	1,924.0	1,191.2
Switzerland	467.3	538.3	1,171.4	1,117.2
Colombia	205.5	30.9	719.3	1,108.0
Belgium-Luxembourg	989.1	593.9	993.4	959.5
Paraguay	259.7	1,423.2	1,671.5	721.8
Japan	444.8	501.8	402.5	698.7
Saudi Arabia	69.3	11.5	293.9	669.7
Italy	715.5	714.7	693.9	639.3
Canary Islands	295.6	545.0	481.2	589.0
Lebanon	418.0	639.9	647.3	569.5
Yugoslavia	138.6	348.2	434.6	552.3
Singapore	787.0	507.9	549.9	516.0
Germany, West	561.4	720.5	724.2	453.0
Netherlands	584.8	476.5	593.7	447.3
Uruguay	698.9	95.4	160.6	402.6
Ecuador	447.5	561.7	374.1	373.0
United Kingdom	252.5	353.2	415.0	370.7
Israel	153.7	182.3	308.1	369.7
Denmark	472.5	520.0	369.2	365.3
Morocco	525.8	556.7	351.2	331.6
France	1,418.1	719.7	479.5	324.9
Other	7,547.8	6,133.6	6,218.2	5,713.6
Total	23,054.5	23,651.2	26,460.9	24,992.9
	<i>1,000 dollars</i>	<i>1,000 dollars</i>	<i>1,000 dollars</i>	<i>1,000 dollars</i>
Total value	102,400	116,207	134,220	129,272

¹ Preliminary. Bureau of the Census.

less than in 1968 but more than one-fourth larger than the 1960-64 average.

Seven major areas continued to receive about 40 percent of all U.S. cigarette exports: Hong Kong, Netherlands Antilles, Panama, Kuwait, Spain, Switzerland, and Colombia. Each of these countries took over 1 billion pieces during 1969. Hong Kong, the major market, and Panama continued to increase purchases over previous years. Shipments to Paraguay, which was a major market in recent years, dropped substantially in 1969. On the other hand, Colombia, which took only 31 million pieces in 1967, received 1.1 billion pieces in 1969.

Flue-Cured Tobacco Exports Drop

U.S. exports of unmanufactured flue-cured tobacco during 1969 were 429.7 million pounds (export weight), down about 4 percent from the high level of 443.5 million pounds in 1968. Shipments lagged substantially during the first half of the year due to the dock strike. In the last half of the year they were at an exceptionally high level, but they were not sufficient to overcome the shortage in the earlier months.

Although the total volume of flue-cured exports was down, the declared value reached an alltime high of \$445.0 million. This represented an increase in value of 4.3 percent above the previous year and over 39 percent above the 1960-64 average. Average export price per pound during 1969 reached 103.5 cents, compared with 96.2 cents in 1968 and 80.3 cents for the average 1960-64 period. Much of this was due to increased shipments of stemmed leaf, which have higher value per unit than for unstemmed leaf.

As in previous years, the United Kingdom, West Germany, Japan, Thailand, the Netherlands, and Australia were the

U.S. EXPORTS OF FLUE-CURED TOBACCO
[Export weight]

Destination	Average 1960-64	1967	1968	1969 ¹
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	129,775	111,410	112,194	111,388
Germany, West	65,300	94,784	73,521	79,759
Japan	25,970	26,259	41,925	34,708
Thailand	8,486	19,458	24,120	21,564
Netherlands	21,238	24,044	30,011	18,917
Australia	16,323	10,662	16,539	18,515
Denmark	10,402	10,908	12,898	13,502
Switzerland	3,546	9,013	9,720	12,987
Belgium-Luxembourg	13,453	12,545	15,278	12,685
Italy	7,063	3,601	3,122	11,642
Vietnam, South	4,962	11,373	8,709	8,900
Ireland	14,402	11,991	13,110	8,838
Taiwan	2,653	6,857	6,333	8,770
Sweden	9,134	9,597	6,205	6,778
Malaysia	3,724	6,499	6,108	6,715
Philippines	1,276	3,793	5,648	6,696
Norway	4,799	5,230	5,849	4,351
Finland	5,559	3,752	3,983	3,434
Spain	996	2,788	3,922	3,305
Hong Kong	5,504	4,687	3,830	3,230
Other	42,616	38,184	40,513	33,066
Total	397,181	427,435	443,538	429,750
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Total value	319,105	403,099	426,579	444,951

¹ Preliminary. Bureau of the Census.

major markets. These five countries took nearly two-thirds of the total flue-cured exports, about the same proportion as in 1968.

The European Common Market countries, which represent the largest single market area for tobacco, purchased a total of 125.6 million pounds of flue-cured in 1969, about the same as the 125.7 million pounds in 1968. West Germany and Italy purchased increased quantities, but Belgium-Luxembourg and the Netherlands took fewer quantities in 1969 than in the previous year.

U.K. Tobacco Imports Dip

Imports of unmanufactured tobacco into the United Kingdom during 1969 totaled 305 million pounds, 7 percent below the 328 million pounds of 1968 and 6 percent below the 1960-64 average of 326 million pounds. The U.S. share in 1969 accounted for 44 percent of the total imports, compared with 50 percent in 1968. Imports from Commonwealth countries were 136.5 million pounds, slightly above the 134.5 million pounds in 1968 but down nearly one-fourth from the 1960-64 average of 176.9 million pounds. (During 1960-64 there was no embargo on Rhodesian leaf.) Canada and India have become the major Commonwealth sources of supply in recent years. Other countries which are becoming important suppliers to the U.K. market include South Africa, Tanzania, Pakistan, South Korea, and Thailand.

Flue-cured tobacco represents approximately 95 percent of the total imports annually. The United States supplied 45.6 percent of all flue-cured leaf during 1969 and 52.3 percent in 1968. About 90 percent of flue-cured imports in 1969 consisted of stripped leaf.

UNITED KINGDOM IMPORTS
OF UNMANUFACTURED TOBACCO

Country of origin	1960-64 average	1967	1968	1969
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
India	40,222	54,650	52,124	48,443
Canada	34,565	45,998	44,485	56,134
Malawi	—	11,020	14,430	11,854
Zambia	—	2,082	1,131	2,627
Rhodesia	101,098	—	—	—
Pakistan	15	2,197	9,978	6,550
Tanzania	335	5,428	9,071	7,582
Other Commonwealth	688	3,233	3,275	3,331
Total Commonwealth	176,923	124,608	134,494	136,521
United States	141,870	132,560	164,600	134,672
South Africa	3,295	9,974	12,919	16,700
South Korea	—	2,520	884	6,368
Thailand	10	2,682	5,686	2,652
Other	3,405	7,229	9,848	8,488
Total non-Commonwealth	148,580	154,965	193,937	168,880
Grand Total	325,503	279,573	328,431	305,401
	Percent	Percent	Percent	Percent
U.S. share	43.6	47.4	50.1	44.1

Tobacco Intelligence.

Rhodesia Tobacco Auctions to Open

It has been reported that sales of flue-cured tobacco on the Salisbury auctions will begin on March 23. This will be Rhodesia's fifth season of tobacco sales since the U.N. sanc-



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tions against that country's trade. As in the past 4 years, the current flue-cured crop sales will be conducted secretly and little information will be made available to the public. The opening date for deliveries of tobacco to the auction floor began on March 2. The sales are expected to continue until September. The current 1969 flue-cured crop is estimated at 132 million pounds, about the same as the previous crop, and there will be a government guaranteed price to the growers giving an average return of not less than 29 U.S. cents per pound.

The burley tobacco sales season will begin on April 16 with deliveries to be accepted beginning March 31. Burley production is estimated at 5 million pounds.

Indonesia Expects Record Tobacco

The Indonesian tobacco industry is the country's fifth largest dollar earner. Latest estimates place the 1969 tobacco crop at a record of 286.6 million pounds. The crop represents an 18-percent increase from 242.5 million pounds in 1968 and a 29-percent increase from 222.7 million pounds in 1967. The new estimate reflects increased plantings in East

Java, where tobacco gained at the expense of rice.

More than 90 percent of the tobacco grown is cigar type with flue-cured making up the rest. About 15 percent of the total tobacco production, 36 million pounds during 1969, has been exported in recent years.

The cigarette industry continues to grow. Preliminary indications show that 1969 output is more than 23 percent above the previous year.

Crops and Markets Index

Fruits, Nuts, and Vegetables

- 13 Small Portuguese Almond Crop
- 13 Netherlands Prices of Fruits, Juices
- 13 German Canned Pear Tender
- 14 Less South African Canned Fruit
- 14 U.K. Hop Production in 1969

Grains, Feeds, Pulses, and Seeds

- 13 Weekly Rotterdam Grain Price Report

Livestock and Meat Products

- 12 Livestock, Meat Exports Set New Record

Sugar and Tropical Products

- 14 Ecuador's Pyrethrum Production Low

Tobacco

- 14 January Tobacco Imports Down
- 14 U.S. Exports Fewer Cigarettes
- 15 Flue-Cured Tobacco Exports Drop
- 15 U.K. Tobacco Imports Dip
- 15 Rhodesia Tobacco Auctions To Open
- 16 Indonesia Expects Record Tobacco

Note: Following are corrected estimates of EC grain production and supply. These reflect reports prepared as of mid-February by U.S. agricultural attachés, summaries of which were not available in time for inclusion in the table which appeared in the March 16 issue of *Foreign Agriculture*.

Commodity and year	Beginning stocks	Acreage	Yield per acre	Pro-duction	Imports		Exports ¹	Net trade	Intra-EC trade	Domestic consumption	
					From U.S.	Total ¹				For feed	Total
	1,000 metric tons	1,000 acres	Metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons
Total grain:											
1968-69 ²	14,153	52,192	1.34	69,701	6,894	16,550	9,300	+7,250	7,200	44,725	74,304
1969-70 ³	16,800	52,726	1.32	69,680	—	14,675	10,850	+3,825	6,400	46,300	76,500
1970-71 ³	13,805	—	—	—	—	—	—	—	—	—	—
Wheat:											
1968-69 ²	7,611	25,226	1.28	32,290	1,645	4,250	5,200	-950	2,900	8,025	29,451
1969-70 ³	9,500	25,034	1.26	31,460	—	3,525	6,650	-3,125	2,600	9,500	31,000
1970-71 ³	6,835	—	—	—	—	—	—	—	—	—	—
Total coarse grains:											
1968-69 ²	6,542	26,966	1.40	37,411	5,249	12,300	4,100	+8,200	4,300	36,700	44,853
1969-70 ³	7,300	27,692	1.40	38,220	—	11,150	4,200	+6,950	3,800	37,300	45,500
1970-71 ³	6,970	—	—	—	—	—	—	—	—	—	—